
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 11.13.2009

Wall Street Journal: "Housing Agency Reserves Fall Far Below Minimum ... The Federal Housing Administration's capital reserves have fallen to razor-thin levels, increasing the likelihood the agency will eventually require a taxpayer bailout, and adding fuel to the debate about how much support the U.S. should provide to the mortgage market."

Wall Street Journal: "Ex-Bankers Form 'Blind Pools' in Bid for Failed Lenders ... Former bank executives are returning to the battered industry to bid on failed financial institutions, putting them in competition with healthy banks and private-equity firms for the rising number of doomed banks."

Wall Street Journal: "Fed Slaps Curbs on Overdraft Fees ... The Federal Reserve imposed rules Thursday making it harder for banks to hit customers with fees for overdrawing their accounts, in the latest crackdown from the government that could curtail a major revenue stream for financial institutions."

Wall Street Journal: "FDIC Moves on Plan to Replenish Coffers With Banks' Early Payments ... The Federal Deposit Insurance Corp. moved Thursday to refill its fund protecting consumers' deposits by finalizing a plan to raise \$45 billion by having banks prepay three years of premiums."

Wall Street Journal: "Economists See Fed Raising Rates Near Midterm Elections ... Economists in the latest Wall Street Journal survey, on average, expect the Federal Reserve to raise interest rates around September 2010, a politically sensitive time considering midterm elections will be right around the corner and unemployment is forecast to still be over 9.5%."

Wall Street Journal: "Asian Nations Call on U.S. to Stabilize Declining Dollar ... The U.S. reiterated its support for a strong dollar Thursday, but Pacific Rim trading partners remained skeptical, continuing their calls on Washington to stabilize its sliding currency."

Wall Street Journal: "Acorn and the Housing Bubble ... All agree that the bursting of the housing bubble caused the financial collapse of 2008. Most agree that the housing bubble started in 1997."

Wall Street Journal: "The FHA's Bailout Warning ... Critics of Fannie Mae and Freddie Mac were waved off as cranks and assured that the companies wouldn't need a taxpayer bailout right up until the moment that they did."

Washington Post: "Banks to prepay FDIC for failures ... The Federal Deposit Insurance Corp. will collect \$45 billion from the banking industry to cover the rising cost of bank failures, an unprecedented assessment that reflects the agency's projections that the current round of failures will not peak until next year."

Washington Post: "Fed takes aim at overdraft penalties ... The Federal Reserve will begin banning banks from charging many overdraft fees unless customers sign up for the service, an unprecedented move that comes as a wave of consumer reform sweeps Washington."

Washington Post: "The Fed's airheaded bubble orthodoxy ... The Federal Reserve is still going through its "lessons-learned" exercise from the recent financial crisis, but there's one lesson it clearly has not yet absorbed -- the one about ignoring and enabling credit bubbles."

Washington Post: "No more 'too big to fail' ... Our company, J.P. Morgan Chase, employs more than 220,000 people, serves well over 100 million customers, lends hundreds of millions of dollars each day and has operations in nearly 100 countries."

NY Times: "Housing Agency's Cash Reserves Down Sharply ... The Federal Housing Administration, the government agency whose loan-insurance programs have become a crucial source of support for the housing market, said on Thursday that its cash reserves had dwindled significantly in the last year as more borrowers defaulted on their mortgages."

NY Times: "Geithner Says U.S. Is Committed to a Strong Dollar ... Treasury Secretary Timothy F. Geithner offered fresh reassurances to Asian nations on Thursday that the Obama administration was committed to a strong dollar and to actions aimed at bolstering its value."

NY Times: "Where Credit Isn't Due ... SENATOR CHRISTOPHER DODD of Connecticut is trying to help consumers. Unfortunately, his plan is likely to backfire."

LA Times: "Fed Reserve bans most bank overdraft fees ... ATM and debit card transactions are the target of rules that take effect July 1. Automatic overdraft coverage of checks and recurring debit transactions are not covered under the new regulation."

LA Times: "U.S. banks prepaying \$45 billion in insurance fees ... U.S. banks will prepay about \$45 billion in premiums to replenish a federal deposit insurance fund now in the red, under a plan adopted by federal regulators."

LA Times: "FHA reserves fall below legal limit as loan defaults take toll ... The Federal Housing Administration's cash reserves have shrunk to a level far below what is required by law, and the agency could need taxpayer funding if worst-case scenarios play out, according to an independent audit."

USA Today: "Fed rule will limit overdraft fees charged by banks, credit unions ... The Federal Reserve released a long-awaited rule Thursday requiring banks and credit unions to get consumers' permission before charging steep fees to pay debit card and ATM overdrafts."

Washington Times: "Banks to prepay \$45 billion to insurance fund ... U.S. banks will prepay about \$45 billion in premiums to replenish a federal deposit insurance fund now in the red, under a plan adopted Thursday by federal regulators."

Washington Times: "Fed puts consent condition on banks ... Banks will have to secure their customers' consent before charging large overdraft fees on ATM and debit card transactions, according to a new rule announced Thursday by the Federal Reserve."